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Board Seeks \$1 Billion Owed to Superior Court System

The Board of Supervisors Tuesday took an important step toward securing more funding for county's beleaguered Superior Court system, which faces cutbacks and closure due to state budget difficulties, by seeking new ways to collect an enormous backlog of court fees and fines.

The value of uncollected judgments issued by the Los Angeles Superior Court totals more than \$1 billion, a sum representing a significant loss of revenue to the County of Los Angeles.

Acting on a motion by Board Chairman Mark Ridley-Thomas, the supervisors have instructed the auditor-controller's office to conduct a comprehensive audit of the county's existing court collections contract with an eye to maximizing the effort.

Each year, approximately 480,000 cases of uncollected court fines and fees, valued at \$380 million, are referred to a contract collection agency whenever a fine or fee has not been paid, a court appearance date has been missed or restitution is not paid after a court appearance. On the average, one-quarter of these cases are settled judicially, and for those that are not, the collection agency attempts to obtain the delinquent amount for three years. Typically, up to 30% is collected and after three years, the remainder is referred to the state Franchise Tax Board for collection. The state has a 10% collection rate.

Given the significant volume and value of delinquent accounts, it is crucial that the county identify and understand how it can increase the efficacy of its collections efforts.

"We must make this effort," said Supervisor Ridley-Thomas. Over the past several years, the Los Angeles Superior Court has had unprecedented reductions in its services and has

laid off hundreds of employees, closed courtrooms and curtailed or eliminated crucial services to the public. This isn't just a decline in service though, it's a decline in justice.”

For the fiscal year beginning July 1, the Superior Court is projecting a shortfall of between \$50 million to \$80 million, which would result in further staff reductions, more courtroom closures and a reduction of services to the public.

“Collecting this money is only the first step toward shoring up the Superior Court system,” said the Supervisor. “But in this economic environment, we cannot afford to ignore \$1 billion of potential revenue.”

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